

SENATE, No. 2392

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED MAY 4, 2020

Sponsored by:

Senator PAUL A. SARLO

District 36 (Bergen and Passaic)

Co-Sponsored by:

Senators Addiego and Cruz-Perez

SYNOPSIS

Allows extension of certain local government timeframes; allows local governments to accept certain payments; allows local governments to conduct certain meetings remotely; adjusts certain property tax distribution and notice requirements.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/11/2020)

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2

1 AN ACT concerning certain local government deadlines,
2 certifications, meetings, and acceptance of payments, property
3 taxes, and supplementing Title 52 of the Revised Statutes, and
4 amending P.L.1995, c.325, R.S.54:4-67, and R.S.54:4-76.

5

6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:

8

9 1. (New section) a. Notwithstanding the provisions of any law,
10 rule, or regulation to the contrary, whenever a public health
11 emergency, pursuant to the “Emergency Health Powers Act,”
12 P.L.2005, c.222 (C.26:13-1 et seq.), or a state of emergency,
13 pursuant to P.L.1942, c.251 (C.App.A.9-33 et seq.), or both, has
14 been declared by the Governor and is in effect, the Director of the
15 Division of Local Government Services in the Department of
16 Community Affairs shall have the power to extend any deadline
17 under the “Local Budget Law,” N.J.S.40A:4-1 et seq., the “Local
18 Fiscal Affairs Law,” N.J.S.40A:5-1 et seq., the “Local Authorities
19 Fiscal Control Law,” P.L.1983, c.313 (C.40A:5A-1 et seq.), under
20 chapter 4 of Title 54 of the Revised Statutes with respect to the
21 issuance of any tax bill except for the quarterly property tax
22 installment dates pursuant to R.S.54:4-66 or section 2 of P.L.1994,
23 c.72 (C.54:4-66.1), and under chapter 5 of Title 54 of the Revised
24 Statutes with respect to a municipal tax sale. The Director of the
25 Division of Local Government Services shall have the power to
26 permit municipalities to institute an extended grace period pursuant
27 to R.S.54:4-67 not to extend beyond the first calendar day of the
28 next calendar month immediately following the quarterly property
29 tax installment date and under conditions the director may specify,
30 as well as to extend the dates for the payment of taxes by a
31 municipality due to a county, a school district, or any other taxing
32 district under chapter 4 of Title 54 of the Revised Statutes or any
33 other law. The Director of the Division of Local Government
34 Services, in consultation with the Director of the Division of
35 Taxation in the Department of the Treasury, shall have the power to
36 extend any other deadline established in chapter 1, chapter 3,
37 chapter 4, or chapter 5 of Title 54 of the Revised Statutes if the
38 Director of the Division of Local Government Services determines
39 that the extension is necessary to minimize and mitigate additional
40 hardships, loss, or suffering to the State and its political
41 subdivisions. A municipality, county, or any other agency or
42 political subdivision of this State shall not enact or enforce any
43 order, rule, regulation, ordinance, or resolution that, in any way,
44 conflicts with any of the provisions of this section.

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 b. In the event that, pursuant to subsection a. of this section,
2 the Director of the Division of Local Government Services orders
3 an extension of the dates for the payment of taxes by a municipality
4 due to a county, a school district, or any other taxing district under
5 chapter 4 of Title 54 of the Revised Statutes or any other law, the
6 director shall require a municipality to pay a percentage of the total
7 installment of taxes due to a county, school district, or any other
8 taxing district by the original statutory date for full payment of the
9 installment. In determining the percentage to be paid by the
10 municipality by the original statutory installment due date, the
11 director shall consider the amount of property taxes collected by the
12 municipality, the fiscal condition of the municipality, the fiscal
13 condition of any taxing district subject to the director's order of
14 extension pursuant to subsection a. of this section, and any other
15 budgetary, fiscal, or economic factors the director finds appropriate
16 to make the determination. The director shall consult with the
17 Commissioner of Education when considering the fiscal condition
18 of a school district pursuant to this subsection.

19 c. Notwithstanding the provisions of any law, rule, or
20 regulation to the contrary, whenever a public health emergency,
21 pursuant to the "Emergency Health Powers Act," P.L.2005, c.222
22 (C.26:13-1 et seq.), or a state of emergency, pursuant to P.L.1942,
23 c.251 (C.App.A.9-33 et seq.), or both, has been declared by the
24 Governor and is in effect, the Director of the Division of Local
25 Government Services may extend any deadline under the
26 "Municipal Land Use Law," P.L.1975, c.291 (C.40:55D-1 et seq.)
27 by adopting an emergency rule pursuant to subsection (c) of section
28 4 of P.L.1968, c.410 (C.52:14B-4), if the director determines that
29 there exists an imminent peril to the public health, safety, or
30 welfare.

31
32 2. (New section) Notwithstanding the provisions of any law,
33 rule, or regulation to the contrary, the following certification
34 renewal periods shall be extended by one year, exclusive of any
35 grace periods or extensions that may be granted by statute:

36 a. The renewal period for municipal finance officer certificates
37 pursuant to section N.J.S.40A:9-140 shall be extended from two
38 years to three years.

39 b. The renewal period for tax collector certificates pursuant to
40 section 7 of P.L.1993, c.25 (C.40A:9-145.3b) shall be extended
41 from two years to three years.

42 c. The renewal period for registered municipal clerk
43 certificates pursuant to section 8 of P.L.1997, c.279 (C.40A:9-
44 133.10) shall be extended from two years to three years.

45 d. The renewal period for county finance officer certificates
46 pursuant to section 3 of P.L.1993, c.87 (C.40A:9-28.3) shall be
47 extended from two years to three years.

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1 e. The renewal period for qualified purchasing agent
2 certificates pursuant to section 9 of P.L.1971, c.198 (C.40A:11-9)
3 shall be extended from three years to four years.

4 f. The renewal period for public works manager certificates
5 pursuant to section 2 of P.L.1991, c.258 (C.40A:9-154.6b) shall be
6 extended from three years to four years.

7 g. The renewal period for tax assessor certificates pursuant to
8 section 1 of P.L. 1999, c.278 (C.54:1-35.25b) shall be extended
9 from three years to four years.

10 This section shall apply only to certifications with statutory
11 expiration dates occurring on or after the effective date of P.L. ,
12 c. (C.) (pending before the Legislature as this bill). Renewal
13 cycles commencing after the expiration of certifications extended
14 pursuant to this section shall revert to their original statutory time
15 periods.

16
17 3. (New section) Notwithstanding any provision of
18 N.J.S.40A:9-133 to the contrary, a person appointed by a
19 municipality to serve as an acting municipal clerk who is serving in
20 that position as of the effective date of P.L. , c. (C.) (pending
21 before the Legislature as this bill), and whose term has not expired
22 prior to the effective date of P.L. , c. (C.) (pending before the
23 Legislature as this bill), may, subject to the approval of the Director
24 of the Division of Local Government Services in the Department of
25 Community Affairs, be reappointed as an acting municipal clerk by
26 that municipality following the termination of the temporary
27 appointment for up to three subsequent one-year terms. A person
28 serving as acting municipal clerk as of the effective date of P.L. ,
29 c. (C.) (pending before the Legislature as this bill) shall not
30 serve the municipality as acting municipal clerk for more than four
31 consecutive years from the date of their initial appointment by the
32 municipality as acting municipal clerk.

33
34 4. (New section) Notwithstanding any provision of section 8
35 of P.L.1988, c.110 (C.40A:9-140.13) to the contrary, a person
36 appointed by a municipality to serve as a temporary chief financial
37 officer who is serving in that position as of the effective date of
38 P.L. , c. (C.) (pending before the Legislature as this bill) and
39 whose term has not expired prior to the effective date of P.L. ,
40 c. (C.) (pending before the Legislature as this bill) may, subject
41 to the approval of the Director of the Division of Local Government
42 Services in the Department of Community Affairs, be reappointed
43 as a temporary chief financial officer by that municipality following
44 the termination of the temporary appointment for up to three
45 subsequent one-year terms. A person serving as temporary chief
46 financial officer as of the effective date of P.L. , c. (C.)
47 (pending before the Legislature as this bill) shall not serve the
48 municipality as a temporary chief financial officer for more than

1 four consecutive years from the date of their initial appointment by
2 the municipality as temporary chief financial officer.

3
4 5. (New section) Notwithstanding any provision of section 4
5 of P.L.1993, c.87 (C.40A:9-28.4) to the contrary, a person
6 appointed by a county to serve as a temporary chief financial officer
7 who is serving in that position as of the effective date of P.L. ,
8 c. (C.) (pending before the Legislature as this bill) and whose
9 term has not expired prior to the effective date of P.L. ,
10 c. (C.) (pending before the Legislature as this bill) may, subject
11 to the approval of the Director of the Division of Local Government
12 Services in the Department of Community Affairs, be reappointed
13 as a temporary chief financial officer by that county following the
14 termination of the temporary appointment for up to two subsequent
15 one-year terms. A person serving as temporary chief financial
16 officer as of the effective date of P.L. , c. (C.) (pending
17 before the Legislature as this bill) shall not serve the county as a
18 temporary chief financial officer for more than three consecutive
19 years from the date of their initial appointment by the county as
20 temporary chief financial officer.

21
22 6. (New section) Notwithstanding any provision of section 7
23 of P.L.1991, c.258 (C.40A:9-154.6g) to the contrary, a person
24 appointed by a municipality to serve as a temporary principal public
25 works manager who is serving in that position as of the effective
26 date of P.L. , c. (C.) (pending before the Legislature as this
27 bill) and whose term has not expired prior to the effective date of
28 P.L. , c. (C.) (pending before the Legislature as this bill) may
29 be reappointed as a temporary principal public works manager for
30 up to two subsequent one-year terms. A person serving as a
31 temporary principal public works manager as of the effective date
32 or P.L. , c. (C.) (pending before the Legislature as this bill)
33 shall not serve the municipality as a temporary principal public
34 works manager for more than three consecutive years from the date
35 of their initial appointment by the municipality as a temporary
36 principal public works manager.

37
38 7. (New section) Notwithstanding any provision of section 9
39 of P.L.1971, c.198 (C.40A:11-9) to the contrary, a person appointed
40 by a contracting unit to serve as a temporary purchasing agent who
41 is serving in that position as of the effective date of P.L. ,
42 c. (C.) (pending before the Legislature as this bill) and whose
43 term has not expired prior to the effective date of P.L. ,
44 c. (C.) (pending before the Legislature as this bill) may, subject
45 to the approval of the Director of the Division of Local Government
46 Services in the Department of Community Affairs, be reappointed
47 as a temporary purchasing agent for up to two subsequent one-year
48 terms following the end of the first temporary appointment. A

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1 person serving as a temporary purchasing agent as of the effective
2 date of P.L. , c. (C.) (pending before the Legislature as this
3 bill) shall not serve the contracting unit as a temporary purchasing
4 agent for more than three consecutive years from the date of their
5 initial appointment by the contracting unit as a temporary
6 purchasing agent.

7
8 8. (New section) a. Notwithstanding any provision of
9 P.L.1975, c.231 (C.10:4-6 et seq.) or any other law, rule, or
10 regulation to the contrary, whenever a public health emergency,
11 pursuant to the "Emergency Health Powers Act," P.L.2005, c.222
12 (C.26:13-1 et seq.), or a state of emergency, pursuant to P.L.1942,
13 c.251 (C.App.A.9-33 et seq.), or both, has been declared by the
14 Governor and is in effect, a local public body may conduct a public
15 meeting remotely by electronic means, provided that reasonable
16 public notice and provision for public input is made under the
17 circumstances.

18 b. The Director of the Division of Local Government Services
19 in the Department of Community Affairs shall adopt, pursuant to
20 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
21 seq.), rules and regulations concerning the conduct of remote public
22 meetings during a public health emergency or state of emergency
23 that are necessary to implement the provisions of subsection a. of
24 this section, which shall include minimum procedures to be
25 followed to provide reasonable public notice and allowance for
26 public input. The director may adopt an emergency rule pursuant to
27 subsection (c) of section 4 of P.L.1968, c.410 (C.52:14B-4) to
28 implement this section.

29 c. "Local public body" means any "public body," as that term
30 is defined in section 3 of P.L.1975, c. 231 (C.10:4-8), with
31 territorial jurisdiction equal to or less than a county.

32 "Public meeting" means that same as that term is defined in
33 section 3 of P.L.1975, c. 231 (C.10:4-8)

34

35 9. Section 2 of P.L.1995, c.325 (C.40A:5-44) is amended to
36 read as follows:

37 2. As used in this act:

38 "Association" means an organization whose members are issuers.

39 "Cardholder" means the person or organization named on the
40 face of a credit card or debit card to whom or for whose benefit the
41 credit card or debit card is issued by an issuer.

42 "Card based payment" means a monetary obligation tendered by
43 the user of a credit card or debit card.

44 "Card payment system" means a technical procedure by which
45 obligations owed a local unit or court may be paid by credit card or
46 debit card.

47 "Credit card" means any instrument or device linked to an
48 established line of credit, whether known as a credit card, charge

1 card, credit plate, or by any other name, issued with or without fee
2 by an issuer for the use of the cardholder in satisfying outstanding
3 financial obligations, obtaining money, goods, services or anything
4 else of value on credit.

5 "Debit card" means any instrument or device, whether known as
6 a debit card, automated teller machine card, or by any other name,
7 issued with or without fee by an issuer for the use of the cardholder
8 in obtaining money, goods, services or anything else of value
9 through the electronic authorization of a financial institution to
10 debit the cardholder's account.

11 "Director" means the Director of the Division of Local
12 Government Services in the Department of Community Affairs.

13 "Electronic funds transfer" means any transfer of funds, other
14 than a transaction originated by check, draft, or similar paper
15 instrument, that is initiated through an electronic terminal,
16 telephone, or computer or magnetic tape for the purpose of
17 ordering, instructing or authorizing a financial institution to debit or
18 credit an account, and includes an in-person funds transfer and an
19 online funds transfer.

20 "Electronic funds transfer system" means a technical procedure
21 by which obligations owed to or collected by the Supreme Court,
22 the Superior Court, Tax Court or a local unit may be paid by an
23 electronic transaction between the financial institution of the person
24 or organization owing the obligation and the financial institution of
25 the governmental entity.

26 "In-person funds transfer" means any transfer of funds through a
27 service that accepts a payment made in-person, by any method, and
28 then transmits those funds to a payee by electronic funds transfer.

29 "Issuer" means the business organization or financial institution
30 which issues a credit card or debit card, or its duly authorized agent.

31 "Local unit" means any unit of government subject to the
32 provisions of chapter 5 or 5A of Title 40A of the New Jersey
33 Statutes, and the constituent parts of those units, including but not
34 limited to independent local authorities, public libraries, municipal
35 courts and joint municipal courts.

36 "Online funds transfer" means any Internet-based transfer of
37 funds through an Internet-based payment system.

38 "Service charge" means a fee charged by the Supreme Court, the
39 Superior Court, Tax Court or local unit in excess of the total
40 obligation owed by a person or organization to offset processing
41 charges or discount fees for the use of a card payment system or an
42 electronic funds transfer system.

43 (cf: P.L.1995, c.325, s.2)

44

45 10. R.S.54:4-67 is amended to read as follows:

46 54:4-67. a. (1) The governing body of each municipality may
47 by resolution fix the rate of discount to be allowed for the payment
48 of taxes or assessments previous to the date on which they would

1 become delinquent. The rate so fixed shall not exceed 6% per
2 annum, shall be allowed only in case of payment made on or before
3 the thirtieth day previous to the date on which the taxes or
4 assessments would become delinquent, after subtracting the amount
5 of applicable property tax credit as defined in section 1 of P.L.2018,
6 c.11 (C.54:4-66.6). No such discount shall apply to the purchaser
7 of a total property tax levy pursuant to section 16 of P.L.1997, c.99
8 (C.54:5-113.5). The governing body may also fix the rate of
9 interest to be charged for the nonpayment of taxes, assessments, or
10 other municipal liens or charges, unless otherwise provided by law,
11 on or before the date when they would become delinquent, and may
12 provide that no interest shall be charged if payment of any
13 installment is made within the tenth calendar day following the date
14 upon which the same became payable. The governing body may,
15 by resolution, extend this interest-free period up to a maximum of
16 30 days during a period in which a public health emergency,
17 pursuant to the "Emergency Health Powers Act," P.L.2005, c.222
18 (C.26:13-1 et seq.), or a state of emergency, pursuant to P.L.1942,
19 c.251 (C.app.A.9-33 et seq.), or both, has been declared by the
20 Governor and is in effect. The rate so fixed shall not exceed 8% per
21 annum on the first \$1,500.00 of the delinquency and 18% per
22 annum on any amount in excess of \$1,500.00, to be calculated from
23 the date the tax was payable until the date that actual payment to the
24 tax collector is made.

25 (2) Notwithstanding the provisions of paragraph (1) of this
26 subsection regarding delinquent payments, in the case of a
27 municipality that has experienced a flood, hurricane, superstorm,
28 tornado, or other natural disaster, interest shall not be charged by
29 the municipality to a delinquent taxpayer if:

30 (a) a state of emergency has been declared as a result thereof by
31 the Governor less than 30 days prior to the date upon which a
32 property tax installment payment is payable pursuant to R.S.54:4-66
33 or section 2 of P.L.1994, c.72 (C.54:4-66.1), as appropriate, and

34 (b) the governing body of the municipality adopts a resolution
35 providing that interest shall not be charged to a delinquent taxpayer
36 if payment of the property tax installment, plus any available
37 property tax credit as defined in section 1 of P.L.2018, c.11
38 (C.54:4-66.6), is made on or before the first day of the next
39 calendar month from the date upon which it became payable.

40 (3) The municipal clerk shall notify the Director of the Division
41 of Local Government Services in the Department of Community
42 Affairs of its adoption of a resolution effectuating the provisions of
43 paragraph (2) of this subsection not later than the third business day
44 next following the municipal governing body's adoption of the
45 resolution. If the municipality is under State supervision pursuant
46 to the provisions of Article 4 of the "Local Government Supervision
47 Act (1947)," P.L.1947, c.151 (C.52:27BB-54 et seq.), is subject to
48 the provisions of the "Municipal Rehabilitation and Economic

1 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), or is
2 otherwise subject to a memorandum of understanding or similar
3 agreement with the division as a condition of receiving
4 supplemental State aid, the resolution shall not be effective unless it
5 is approved by the director.

6 (4) (a) As used in this paragraph:

7 "Eligible resident" means either:

8 (i) an employee of a federal government agency who is
9 furloughed because of a shutdown and receives unemployment
10 benefits during the shutdown or who works during a shutdown but
11 is not paid because of the shutdown; or

12 (ii) a contractor whose pay is received through a contract with a
13 federal government agency but whose payment is delayed or
14 diminished because of a shutdown, provided that the contractor
15 receives unemployment benefits during the shutdown.

16 "Shutdown" means any period in which there is more than a 24-
17 hour lapse in appropriations for any federal government agency as a
18 result of a failure to enact a regular appropriations bill or continuing
19 resolution due to an impasse between the President and the
20 Congress of the United States or between the two Houses of
21 Congress.

22 (b) Notwithstanding the provisions of paragraph (1) of this
23 subsection regarding delinquent payments, a municipality shall not
24 charge interest to a delinquent taxpayer who is an eligible resident
25 or who resides with a spouse, partner in a civil union, or domestic
26 partner who is an eligible resident, if:

27 (i) a shutdown remains in effect for more than 21 days and
28 either ends less than 14 days prior to the date upon which a property
29 tax installment payment is payable pursuant to R.S.54:4-66 or
30 section 2 of P.L.1994, c.72 (C.54:4-66.1), as appropriate, or
31 remains in effect on the date that the property tax installment
32 payment is due and payable; and

33 (ii) the governing body of the municipality in which the
34 delinquent taxpayer resides adopts a resolution providing that
35 interest shall not be charged to such a delinquent taxpayer if
36 payment of the property tax installment, less any available property
37 tax credit as defined in section 1 of P.L.2018, c.11 (C.54:4-66.6), is
38 made on or before the date upon which the next property tax
39 installment payment is payable.

40 (c) Interest shall not be charged pursuant to this paragraph only
41 if a delinquent property taxpayer provides to the municipality proof
42 that the delinquent property taxpayer's pay, or the pay of the
43 delinquent property taxpayer's spouse, partner in a civil union, or
44 domestic partner, is derived from a federal government agency that
45 is affected by a shutdown. In the case of a federal employee, that
46 proof shall be demonstrated by a pay stub showing employment by
47 a federal government agency that is affected by a shutdown. In the
48 case of a contractor, the resolution adopted by the governing body

1 of the municipality pursuant to subparagraph (b) of this paragraph
2 shall establish the criteria necessary to verify the that the
3 contractor's pay is received through a contract with a federal agency
4 that is affected by a shutdown.

5 (d) The municipal clerk shall notify the Director of the Division
6 of Local Government Services in the Department of Community
7 Affairs of the municipality's adoption of a resolution effectuating
8 the provisions of part (ii) of subparagraph (b) of this paragraph not
9 later than the third business day next following the adoption of the
10 resolution. If the municipality is under State supervision pursuant
11 to the provisions of Article 4 of the "Local Government Supervision
12 Act (1947)," P.L.1947, c.151 (C.52:27BB-54 et seq.), is subject to
13 the provisions of the "Municipal Rehabilitation and Economic
14 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), or is
15 otherwise subject to a memorandum of understanding or similar
16 agreement with the division as a condition of receiving
17 supplemental State aid, the resolution shall not be effective unless it
18 is approved by the director.

19 b. In any year when the governing body changes the rate of
20 interest to be charged for delinquent taxes, assessments or other
21 municipal charges, or to be charged for the end of the year penalty,
22 the governing body, after adoption of a resolution changing the rate
23 of interest, shall provide a notice to all taxpayers, prior to the date
24 taxes are next due or with the tax bill, stating the new rate or rates
25 to be charged **[and]**, the date that the new rate or rates take effect,
26 and, if the new rate or rates of interest are not to be effective for the
27 remainder of the tax year, the property tax quarter or quarters for
28 which the change in the rate or rates shall apply. The notice may be
29 separate from the tax bill. No change in the rate of interest or the
30 end of year penalty shall take effect until the required notice has
31 been provided in accordance with this subsection. To satisfy the
32 notice requirement in this subsection, the governing body may use
33 regular mail, or may use two of the following alternatives:
34 electronic mail, text messaging system, telephonic system, or any
35 other digital platform used by the municipality to disseminate
36 information to municipal residents electronically.

37 c. In municipalities that have sold their property tax levy
38 pursuant to section 16 of P.L.1997, c.99 (C.54:5-113.5), the rate of
39 interest to be charged for the nonpayment of taxes, assessments or
40 other municipal liens or charges shall be the same interest or
41 delinquency rate or rates otherwise charged by the municipality, to
42 be calculated from the date the tax was payable until the date of
43 actual payment to the tax collector. The purchaser of the total
44 property tax levy shall be paid only those amounts attributable to
45 properties included in the total property tax levy purchase and
46 actually collected by the tax collector and which amounts shall not
47 include any delinquent interest collected by the municipal tax

1 collector prior to the time that the total property tax levy purchaser
2 makes the levy payment to the municipality.

3 d. Whenever the time period for a property tax installment
4 payment has been extended pursuant to the provisions of subsection
5 a. of this section, the Director of the Division of Local Government
6 Services in the Department of Community Affairs may, by
7 temporary order, extend the dates for payment of taxes by a
8 municipality due to a county pursuant to R.S.54:4-74, any school
9 district pursuant to R.S.54:4-75, and any other taxing district as
10 provided by law.

11 "Delinquency" means the sum of all taxes and municipal charges
12 due on a specific real property, less the amount of applicable
13 property tax credit as defined in section 1 of P.L.2018, c.11
14 (C.54:4-66.6), covering any number of quarters or years. The
15 property shall remain delinquent, as defined herein, until such time
16 as all unpaid taxes, including subsequent taxes and liens, together
17 with interest thereon shall have been fully paid and satisfied and all
18 applicable property tax credit, as defined in section 1 of P.L.2018,
19 c.11 (C.54:4-66.6), has been credited. The delinquency shall
20 remain notwithstanding the issuance of a certificate of sale pursuant
21 to R.S.54:5-32 and R.S.54:5-46, the payment of delinquent tax by
22 the purchaser of the total property tax levy pursuant to section 16 of
23 P.L.1997, c.99 (C.54:5-113.5) and for the purposes of satisfying the
24 requirements for filing any tax appeal with the county board of
25 taxation or the State tax court. The governing body may also fix a
26 penalty to be charged to a taxpayer with a delinquency in excess of
27 \$10,000 who fails to pay that delinquency as billed, less the amount
28 of applicable property tax credit as defined in section 1 of P.L.2018,
29 c.11 (C.54:4-66.6), prior to the end of the fiscal year. If any fiscal
30 year delinquency in excess of \$10,000 is paid by the holder of an
31 outstanding tax sale certificate or a total property tax levy
32 purchaser, the holder or purchaser, as appropriate, shall be entitled
33 to receive the amount of the penalty as part of the amount required
34 to redeem such certificate of sale providing the payment is made by
35 the tax lien holder or tax levy purchaser prior to the end of the fiscal
36 year. If the holder of the outstanding tax sale certificate or the levy
37 purchaser, as appropriate, does not make the payment in full prior
38 to the end of the fiscal year, then the holder or purchaser shall be
39 entitled to a pro rata share of the delinquency penalty upon
40 redemption, and the balance of the penalty shall inure to the benefit
41 of the municipality. The penalty so fixed shall not exceed 6% of
42 the amount of the delinquency with respect to each most recent
43 fiscal year only.

44 (cf: P.L.2019, c.491, s.1)

45

46 11. R.S.54:4-76 is amended to read as follows:

47 54:4-76. a. The governing body of the municipality or the
48 county shall cause the county tax due, as calculated pursuant to

1 R.S.54:4-74, and other county taxes levied, school tax due, as
2 calculated pursuant to R.S.54:4-75, taxes due to other taxing
3 districts, and State taxes to be paid as and when due for payment. If
4 there shall not be sufficient funds in the treasury available for such
5 payments, the governing body shall immediately borrow sufficient
6 money and pay such taxes due. The board of chosen freeholders of
7 each county may by resolution fix the rate of discount to be allowed
8 for the payment to the county treasurer of county taxes previous to
9 the date on which they will become due for payment. The rate so
10 fixed shall not exceed six **[per centum]** percent per **[annum]** year,
11 and shall be allowed only in case of payment on or before the
12 thirtieth day previous to the date on which said taxes will become
13 due for payment to the county treasurer. On any part of the taxes
14 payable to the county treasurer and on any part of the taxes payable
15 to the State by the county treasurer, which shall remain unpaid after
16 the time within which they are required to be paid by this chapter,
17 the taxing district or county in arrears shall pay to the county or
18 State, as the case may be, interest at the rate of six **[per centum]**
19 percent per [annum] year upon the delayed payment.

20 b. Notwithstanding the provisions of subsection a. of this
21 section, the board of chosen freeholders of a county may, by
22 resolution, waive the interest that a municipality is required to pay
23 to the county pursuant that subsection on any unpaid property taxes
24 due and owing to the county by a municipality if the municipality
25 adopted an extended interest-free period pursuant to paragraph (1)
26 of subsection a. of R.S.54:4-67 and a public health emergency,
27 pursuant to the "Emergency Health Powers Act," P.L.2005, c.222
28 (C.26:13-1 et seq.), or a state of emergency, pursuant to P.L.1942,
29 c.251 (C.app.A.9-33 et seq.), or both, has been declared by the
30 Governor and is in effect. A waiver adopted by a county pursuant
31 to this subsection shall expire 30 days after the end of the
32 municipality's extended interest-free period.

33 (cf: P.L.2013, c.261, s.5)

34
35 12. Notwithstanding the provisions of section 15 of P.L.1944,
36 c.255 (C.43:16A-15), section 24 of P.L.1954, c.84 (C.43:15A-24),
37 or any other law, rule, or regulation to the contrary, if payment of
38 the full amount of the employer's contributions certified by the
39 Police and Firemen's Retirement System or the Public Employees'
40 Retirement System was not made within 30 days after the required
41 due date when that due date occurred in the year 2020 and prior to
42 the effective date of P.L. , c. (C.) (pending before the
43 Legislature as this bill), the interest at the rate of 10 percent per
44 year that is required to be assessed against the unpaid balance
45 thereof on the first day after such 30th day shall not be assessed for
46 an additional period of 30 days. If the full amount of the certified
47 employer's contributions is not made within 60 days after the

1 required due date, the interest shall be assessed against any unpaid
2 balance of that employer on the first day after that 60th day.

3

4 13. This act shall take effect immediately, except that subsection
5 c. of section 1 shall remain inoperative while any conflicting
6 provision of P.L. , c. (C.) (pending before the Legislature
7 as Senate Bill No. 2346 of 2020-2021) remains in effect, and
8 sections 10 and 14 shall be retroactive to March 9, 2020.

9

10

11

STATEMENT

12

13 This bill would provide for local government flexibility with
14 regard to various timeframes, deadlines, and other statutory
15 requirements in order to help them continue to function and meet
16 these obligations during times of emergencies.

17 The bill provides expansive authority to the Director of the
18 Division of Local Government Services in the Department of
19 Community Affairs to extend certain deadlines applicable to local
20 government units of the State during periods of emergency declared
21 by the Governor. The deadlines that the director may extend
22 include, but are not limited to, deadlines for: a county's notification
23 to the director of a county board of taxation's failure to receive a
24 copy of a school or municipal budget; a county board of taxation's
25 substitution of an adopted municipal budget for an amount certified
26 by the director; a county board of taxation to complete a table of
27 aggregates; the director to act as necessary in order to consolidate
28 ballot questions and procedures when a governing body elects to
29 hold certain referendums; the director to review and approve
30 municipal budgets that are not subject to local review; a
31 municipality to certify a preliminary tax levy; and a municipality to
32 cause an annual audit of their books, accounts, and financial
33 transactions.

34 In addition, the bill provides the Director of the Division of
35 Local Government Services the authority to permit municipalities to
36 institute an extended grace period for quarterly property tax
37 payments and other municipal charges notwithstanding the
38 maximum number of days set forth in R.S.54:4-67. The bill also
39 empowers the director to extend deadlines under the "Municipal
40 Land Use Law," P.L.1975, c.291 (C.40:55D-1 et seq.).

41 The bill extends certification renewal periods for various county
42 and municipal officers, including finance officers, tax collectors,
43 and tax assessors. The bill also permits various temporary or acting
44 county and municipal officials to be reappointed on a temporary or
45 acting basis for up to three subsequent one-year terms, if the person
46 appointed on a temporary or acting basis is serving in that capacity
47 as of the effective date of the bill.

1 The bill authorizes local public bodies to hold public meetings
2 remotely by electronic means during periods of emergency declared
3 by the Governor so long as reasonable public notice and provision
4 for public input is made under the circumstances. This provision of
5 the bill is retroactive to March 9, 2020, when Executive Order No.
6 103 was issued, declaring a public health emergency and state of
7 emergency in response to COVID-19. The bill requires the Director
8 of the Division of Local Government Services to adopt regulations
9 for the conduct of these remote meetings, which would later take
10 effect and be followed upon their adoption.

11 The bill also would clarify that local governments may accept
12 specific types of electronic payments. Namely, this bill would
13 allow local governments to accept payments through in-person-
14 based electronic transfer services, such as a Western Union kiosk,
15 as well as Internet-based electronic transfer systems, such as PayPal
16 and Venmo. The enhanced flexibility provided by this bill to make
17 remote, electronic payments to local governments is of particular
18 importance in light of the social distancing required by the current
19 COVID-19 crisis.

20 This bill also would clarify the form and content of the notice
21 required to be provided to property taxpayers when a municipality
22 changes the rate of interest to be charged on delinquent property
23 taxes. Under existing law, in any year when the governing body of
24 a municipality changes the rate of interest to be charged for
25 delinquent taxes, assessments or other municipal charges, or for the
26 end of the year penalty, the governing body is required to provide a
27 notice to all taxpayers, prior to the date taxes are next due or with
28 the tax bill, of the new rate or rates to be charged and the date that
29 the new rate or rates are to take effect.

30 Under the bill, in addition to the new rate or rates of interest to
31 be charged and the effective date of the change in the rate or rates,
32 if the new rate or rates of interest will not be effective for the rest of
33 the property tax year, the notice must specify the property tax
34 quarter or quarters for which the change in the rate or rates shall
35 apply. The bill further provides that the notice requirement may be
36 satisfied by using either regular mail, or two of the following
37 alternatives: electronic mail, a text messaging system, a telephonic
38 system, or any other digital platform used by the municipality to
39 disseminate information to municipal residents electronically.

40 The bill, in addition to the similar authority provided to the
41 Director of the Division of Local Government Services, also would
42 permit the governing body of a municipality to extend the 10-day
43 grace period in which property taxes may be paid without accruing
44 interest to a maximum of 30 days during a period in which a public
45 health emergency or state of emergency has been declared by the
46 Governor and is in effect.

47 The bill also would permit a county to waive the six percent per
48 year interest that a municipality is required to pay to a county when

1 it does not turn over property tax revenue collected by the
2 municipality on the county's behalf on the statutorily-required
3 dates, if the municipality adopts the above extended grace period
4 and a public health emergency or a state of emergency has been
5 declared by the Governor and is in effect. Such a waiver would
6 expire 30 days after the end of the municipality's extended grace
7 period.

8 Lastly, the bill would provide that if the full amount of the
9 employer's contributions certified by the Police and Firemen's
10 Retirement System or the Public Employees' Retirement System
11 was not made within 30 days after the required due date when that
12 due date occurred in the year 2020, the interest at the rate of 10
13 percent per year that is required to be assessed against the unpaid
14 balance thereof on the first day after such 30th day not be assessed
15 for an additional period of 30 days. If the full amount of the
16 certified employer's contributions is not made within 60 days after
17 the required due date, the interest would be assessed against any
18 unpaid balance of that employer on the first day after that 60th day.
19 This provision is also retroactive to March 9, 2020.